

House Amendment 8001

PAG LIN

1 1 Amend House File 2045 as follows:
1 2 #1. By striking page 1, line 1, through page 2,
1 3 line 4, and inserting the following:
1 4 <Section 1. Section 422.7, subsection 13, Code
1 5 2005, is amended to read as follows:
1 6 13. a. Subtract, to the extent included, the
1 7 amount of additional social security benefits taxable
1 8 under the Internal Revenue Code for tax years
1 9 beginning on or after January 1, 1994. The amount of
1 10 social security benefits taxable as provided in
1 11 section 86 of the Internal Revenue Code, as amended up
1 12 to and including January 1, 1993, with the adjustments
1 13 in paragraph "b". continues to apply for state income
1 14 tax purposes for tax years beginning on or after
1 15 January 1, 1994. Married taxpayers, who file a joint
1 16 federal income tax return and who elect to file
1 17 separate returns or who elect separate filing on a
1 18 combined return for state income tax purposes, shall
1 19 allocate between the spouses the amount of benefits
1 20 subtracted from net income in the ratio of the social
1 21 security benefits received by each spouse to the total
1 22 of these benefits received by both spouses.
1 23 b. In computing the amount of taxable social
1 24 security benefits under paragraph "a" for tax years
1 25 beginning on or after January 1, 2007, the term "base
1 26 amount" in section 86 of the Internal Revenue Code, as
1 27 amended up to and including January 1, 1993, means one
1 28 of the following:
1 29 (1) Except as otherwise provided in subparagraphs
1 30 (2) and (3), thirty thousand dollars.
1 31 (2) In the case of a joint return, thirty-eight
1 32 thousand four hundred dollars.
1 33 (3) In the case of a taxpayer who is married but
1 34 does not file a joint return and does not live apart
1 35 from the taxpayer's spouse at all times during the tax
1 36 year, zero.
1 37 c. (1) For the tax year beginning in the 2008
1 38 calendar year and for each subsequent tax year, the
1 39 adjusted base dollar amounts set forth in paragraph
1 40 "b" shall be multiplied by the cumulative adjustment
1 41 factor for that tax year. "Cumulative adjustment
1 42 factor" means the product of the annual adjustment
1 43 factor for the 2007 calendar year and all annual
1 44 adjustment factors for subsequent calendar years. The
1 45 cumulative adjustment factor applies to the tax year
1 46 beginning in the calendar year for which the latest
1 47 annual adjustment factor has been determined.
1 48 (2) The annual adjustment factor for the 2007
1 49 calendar year is one hundred percent. For each
1 50 subsequent calendar year, the annual adjustment factor
2 1 equals the annual inflation factor for the calendar
2 2 year, in which the tax year begins, as computed in
2 3 section 422.4 for purposes of the individual income
2 4 tax.>
2 5 #2. Page 2, line 19, by striking the words <six
2 6 thousand> and inserting the following: <~~six~~ seven
2 7 thousand two hundred>.
2 8 #3. Page 2, line 21, by striking the words <twelve
2 9 thousand> and inserting the following: <~~twelve~~
2 10 fourteen thousand four hundred>.
2 11 #4. Page 2, by striking line 29 and inserting the
2 12 following: <up to ~~twelve~~ fourteen thousand four
2 13 hundred dollars. The ~~twelve~~ fourteen thousand four
2 14 hundred dollar>.
2 15 #5. By striking page 2, line 34, through page 3,
2 16 line 23, and inserting the following:
2 17 <b. (1) For the tax year beginning in the 2008
2 18 calendar year and for each subsequent tax year, the
2 19 maximum exclusion dollar amounts set forth in
2 20 paragraph "a" shall be multiplied by the cumulative
2 21 adjustment factor for that tax year. "Cumulative
2 22 adjustment factor" means the product of the annual
2 23 adjustment factor for the 2007 calendar year and all
2 24 annual adjustment factors for subsequent calendar

2 25 years. The cumulative adjustment factor applies to
2 26 the tax year beginning in the calendar year for which
2 27 the latest annual adjustment factor has been
2 28 determined.
2 29 (2) The annual adjustment factor for the 2007
2 30 calendar year is one hundred percent. For each
2 31 subsequent calendar year, the annual adjustment factor
2 32 equals the annual inflation factor for the calendar
2 33 year, in which the tax year begins, as computed in
2 34 section 422.4 for purposes of the individual income
2 35 tax.>
2 36 #6. Title page, line 1, by striking the words
2 37 <phasing out> and inserting the following: <reducing>.
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2 40 _____
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2 42 HF 2045.201 81
2 43 mg/sh/5044